SEABRIDGE GOLD

Dave Obee Editor-in-Chief Times Colonist 2621 Douglas Street Victoria, BC V8T 4M2

August 20, 2015

Dear Mr. Obee:

I read with interest today's *Times Colonist* article titled "Obama's Drilling Decision Raises Concerns" in which Seabridge and our KSM Project are mentioned. I wish your author had contacted me because I would have been able to provide additional context and accurate information about the KSM Project including:

- 1. Seabridge worked extensively with Alaskan State and US Federal regulators (EPA, DOI, NOAA, Fish and Wildlife Service), having more than 85 different meetings and interactions with these regulators through the Environmental Assessment (EA) process to learn about and address the concerns of Alaskans. In addition, Seabridge hosted a public meeting in Ketchikan and held several meetings with Tribal, village and NGO organizations based in Alaska, including Rivers Without Borders, and Southeast Alaska Conservation Council during the EA review to listen to their concerns and to answer questions regarding the KSM Project. Both the Canadian Federal and Provincial regulators determined KSM will not have an impact on US waters. No concerns were expressed by the Alaska regulatory agencies
- 2. The KSM tailings management facility (TMF) is not situated in waters upstream of the US border, as is evidenced in the <u>attached figure</u>. KSM's TMF is situated within the Bell Irving Watershed which flows entirely into Canadian waters. It is true the deposits are situated on a tributary of the Unuk River which flows into the US. These waters are impacted by the naturally occurring erosion of the Mitchell deposit as is seen in the <u>attached photograph</u> and the operation of the KSM Project and our associated water management system will, in fact, improve the overall water quality within the Unuk River.
- 3. Seabridge has worked diligently with Canadian Treaty and First Nations to address their concerns and has developed respectful and meaningful relationships with the groups in close proximity to KSM. We signed a Benefits Agreement with the Nisga'a Nation in June of 2014; we have an Environmental Agreement with the Gitanyow First Nation; we received a letter of support from the Gitxsan Hereditary Chiefs' office during the EA review; and we addressed the environmental and social concerns of the Tahltan as stated within the report submitted by the Tahltan Heritage, Resources, Environmental Assessment Team (THREAT), which is on file at the BC Environmental Assessment Office.

- 4. Seabridge is respected within the local communities having also received public letters of support from the Mayors and Councils of Smithers and Terrace respectively during the EA review process.
- 5. The EA for the KSM Project occurred over a six-and-a-half year period (March 2008-December 2014), and I say unequivocally that great attention was paid to the potential environment impacts associated with the Project and through the very rigorous EA process, these potential impacts were mitigated to the satisfaction of the local communities, Aboriginal groups and statutory decision makers based in Canada where the project is located.

I feel it is important to reiterate that, for Seabridge Gold, protection of the environment, in both Canada and in the US, is a guiding principle behind the design of the KSM Project. The company has put the KSM project through extensive environmental and technical evaluations by independent experts to ensure its operation will not cause harm to the surrounding environment, including waterways and fish.

Seabridge will fully meet the applicable standards set by the Canadian and Provincial governments to ensure water quality is protected and that the water entering Alaska is not impacted. Therefore, KSM will be able to operate without harming the environment, including the major watersheds in which we will operate.

I appreciate your time, and would be pleased to answer any outstanding questions you have regarding the KSM Project. I may be reached via email, brent@seabridgegold.net, or by mobile, (867) 445-5553.

Yours Truly,

Brent Murphy

Vice President, Environmental Affairs

Seabridge Gold